

EXCERPTED FROM CQ BILL ANALYSIS

Highlights of HR 743

The bill would require the Social Security Administration (SSA) to reissue payments to recipients who were cheated out of them by the person or organization designated to manage the benefits on their behalf, known as a "representative payee."

HR 743 also includes several other provisions aimed at protecting Social Security recipients from abuses by their representative payees, including ones that would:

- require non-governmental organizations that serve as representative payees to be bonded and licensed (if licensing is available in the particular state), and to submit proof of bonding and licensing annually;
- bar fugitives and individuals who have been convicted of an offense for which they were imprisoned for at least a year from serving as representative payees;
- allow the SSA to recover misused funds and fees for service from the representative payee; and
- subject representative payees to civil penalties of up to \$5,000 for each misuse of Social Security funds, plus a penalty of up to twice the amount of the misused benefits.

The Senate Finance Committee adopted an amendment that would authorize \$17.8 million for the Office of the Inspector General to study the use of payments by representative payees.

The bill also includes several other provisions designed to cut down on general abuses of Social Security and its beneficiaries, including ones that would:

- create civil penalties for those who failed to notify the SSA of changed circumstances that could have affected their eligibility for benefits;

-- require companies and individuals that charged for services the SSA provides for free to disclose that fact to customers;

-- allow the SSA to refuse to recognize and deal with any attorney or non-attorney who had been disbarred, suspended or disqualified from any court or bar, or disbarred or suspended from representing individuals before any other federal agency; and

-- impose fines of up to \$5,000 and/or imprisonment for up to three years for attempting to intimidate or impede by force any SSA employee acting in an official capacity. Individuals convicted of threatening to use force would be subject to fines of up to \$3,000 and/or imprisonment for up to a year.

The legislation also would prohibit individuals fleeing prosecution, custody or confinement or violating probation or parole from receiving benefits. However, the SSA commissioner could waive the prohibition for federal old age, survivors and disability insurance benefits if he or she determined there was "good cause." The Senate Finance version of the measure would extend the good cause waiver to Supplemental Security Income for the aged, blind, and disabled. Reasons for good cause could include when warrants were for relatively minor, decades-old crimes that are no longer being pursued by law enforcement.

The Senate adopted a substitute amendment that would restrict the good cause exception to non-violent or non-drug-related offenses.